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SENSITIVE SIPDIS

DEPARTMENT FOR WHA/CEN, AND INL SOUTHCOM FOR POLAD

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SUBJECT: PANAMA: RULING PARTY LEGISLATORS DISGRUNTLED AT PRESIDENT TORRIJOS

SUMMARY

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 $\underline{\mbox{1}}\mbox{1}.$ (SBU) PRD legislators are angry at President Martin Torrijos for failing to consult and for ordering them around. Several ruling-party legislators told Emboff recently that they are disappointed and feel "used" by a Torrijos leadership style they see as arrogant, high-handed, presumptuous, and abusive. The lawmakers further complained that Torrijos is strongly influenced by non-PRD elite Panamanians, such as VP/Foreign Minister Samuel Lewis, lawyer Jaime Arias and his older brother, Christian Democratic Party/Partido Popular founder (and former VP) Ricardo Arias Calderon. Despite their private misgivings and against their better judgment, legislators say Torrijos in December "forced" them unnecessarily (but constitutionally) to grant him special legislative decree powers. Panama's 1972 Constitution, promulgated by military dictator Omar Torrijos, father of Martin, concentrates power in the executive, while making legislators prisoners of their parties yet unaccountable to their constituents. Dissatisfaction within the PRD could spell trouble for Torrijos down the road. End summary.

No consultation

- 12. (SBU) In separate recent meetings with Emboff, several ruling party legislators expressed disappointment and anger, and confided that they feel "used" by the GOP and specifically by President Torrijos. (Note: Emboff met separately with Chairman of the Legislative Health Committee Jose Baruco; former Majority Leader and current Chairman of the Credentials Committee Freidi Torres; and Chairman of the Labor Committee Leandro Avila.)
- 13. (SBU) Legislator Baruco commented that even though as Torrijos controls the Assembly (his party has 43 out of 78 legislators) which assures the approval of all of his bills, Torrijos should at least consult with them. "He abuses us. From him we only get "you do this and you do that." The Executive branch doesn't even bother to ask for our opinions," Baruco lamented. Baruco was also embarrassed to admit that the National Assembly had ratified Supreme Court alternate Justice Janina Small last December even though she did not meet all the legal requirements. We ratified her

just because he asked for it, Baruco said. We did not even look at her background. Now we have to do it all over again. (Note: Civil society representatives, including the President of the National Bar Association, publicly criticized the appointment and ratification of Small as illegal. The GOP was forced to withdraw the appointment and is now in the process of appointing a new alternate justice. End note.)

Special legislative powers

- 14. (SBU) Last December, at President Torrijos's request the PRD-controlled National Assembly granted him special legislative powers ("poderes especiales") to rule by decree while the assembly is in recess (Jan 1-February 28) to rule on ten specific topics. Legislators Jose Baruco and Freidi Torres claimed that he should have not asked for approval to rule on ten topics. They agreed though that he needed to create a Canal trust urgently to start using Canal funds for social projects and thereby aid the chances for passage of a referendum to widen the Canal.
- 15. (SBU) Labor Chairman Leandro Avila, who has one of the most impressive electoral mandates in the country, told Emboff that he did not show up for the vote to grant special legislative powers to Torrijos and did not send his alternate to vote either. "He (Torrijos) has too much power as it is, he did not need more," Avila complained.

PRD outside, but not inside ("PRD solo por fuera no por dentro")

16. (SBU) One of the complaints common to these legislators and other PRDers is that Torrijos does not listen to the broad voice of the party during the decision-making process

as in past PRD administrations. Former Majority Leader Torres said that the secret motto inside the party is that Torrijos is "PRD outside but not inside" referring to Torrijos's alleged disregard of the PRD membership. According to Torres and Avila, and other Embassy contacts, Vice President and Foreign Minister Samuel Lewis Navarro and lawyer Jaime "Jimmy" Arias strongly influence Torrijos. "They are the only ones he listens to (Baruco, Torres, and Avila all agreed.)" (Note: Both Lewis and Arias are members of Panama's white "rabiblanco" and are not members of the PRD.) The legislators acknowledged that PRDers Jorge Eduardo Ritter (a former Foreign Minister under the Noriega military regime) and Adolfo Ahumada (Canal board member and senior advisor to Foreign Minister Lewis) do exert influence on President Torrijos.

The "small group"

17. (SBU) Legislator Torres shared with Emboff that key traditional PRD activists have formed what they call the "petite comite" which often meets discretely to discuss, analize and complain among themselves about President Torrijos and his decisions. The petite comite includes Housing Minister Balbina Herrera (probably the most popular cabinet member), Minister of Government and Justice Hector Aleman, Legislative President (and fifth term legislator) Elias Castillo and Torres. Herrera and Aleman both aspire to the vice presidential nomination in 2009 and must be discreet as not to anger Torrijos and risk losing support, not to mention fear of his potential influence over the party's 2009 presidential candidate.

A PB comeback?

18. (SBU) Former Panamanian President Ernesto Perez Balladares (1994-1999), who has openly criticized Torrijos for not employing PRDs in the government after taking power, among other things, is campaigning to become the party President during the 2007 internal elections. Though Perez Balladares is not well liked within the party, many disgruntled party members could end up supporting him the three legislators agreed. His possibilities to win could

increase if either (Cabinet members) Herrera or Aleman decide to support him. Current Panama City Mayor Juan Carlos Navarro is quietly but actively campaigning for a 2009 presidential candidacy. But Navarro is being careful prior to 2007 PRD internal elections are still unknown.

Comment:

The 1972 military constitution

19. (U) Panama is ruled by a dictator's constitution promulgated in 1972 under the late General Omar Torrijos's military regime. Though amended in 1983, 1994 and 2004, the constitution fosters a "strong Presidentialist system". Legislative seats do not belong to the individual who ran for election, but to the party that nominated the individual. Once elected, legislators are not accountable to their constituents, but to their party. Though they nominally represent an electoral district, in fact they become national legislators and there is no way for voters to demand actions from them. Panamanian electoral law, backed by the Constitution, allows political parties to bring legislators to internal trial in case they vote against the "party line" and can lose their seats if they defy party orders. Legislators become prisoners of their parties.

110. (SBU) Regardless of internal PRD complaints against Torrijos and his ruling style, nothing in Panama will change under his administration or future ones without in-depth amendments to the Constitution and the Electoral law. There are no indications that the ruling party (PRD) or the largest opposition party, Partido Panameista, would support such in-depth reforms. Party leaders enjoy and profit from the level of power they exercise over their legislators. What's going on under the Torrijos administration has

happened in the past and is not news. But societal changes and demands for more participation are encouraging legislators to speak up.

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